

“EXPLOITING IP ASSETS - LICENSING, FRANCHISING AND MERCHANDISING



Dan Greif – Siam Premier International; Original presentation – Chander Lall of lall & Sethi

Transfer of Rights

- **Assignment or outright sale**
- **Licensing / Franchising**
- **Consultancy**
- **Joint Ventures**

IP DOCUMENTS

- **License agreements**
- **Assignment agreements**
- **Maintenance agreements**
- **Distribution agreements**
- **Government contracts**
- **Employment agreements**
- **Consulting agreements**

IP DOCUMENTS

- **Joint development agreements**
- **Technology transfer agreements**
- **Sponsored research agreements**
- **Non-disclosure agreements**
- **Non-competition agreements**
- **Work for hire agreements**
- **Contracts with independent contractors**

Important Audits

Identification of the :

- **Property**
- **Owner**
- **Requirement**
- **Period**
- **Geography**
- **Utility**

Intellectual Property Rights (IPR)

There are 5 different types of IP:



Trade Marks

source identifier

Patents

technology protector

Designs

protection to product shape

Copyrights

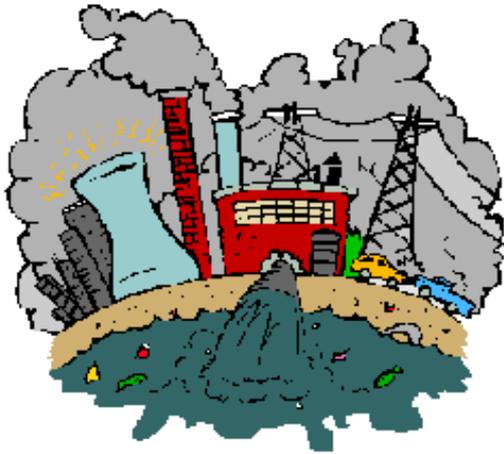
protection of creativity

Confidential Information

TM

What is a Trade Mark / Brand

An invisible link between the product source (known or unknown) and the consumer



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What constitutes a Trade Mark / Brand ?

Word

GUCCI

Slogan



Device



Product Shape



Character



Name



Numerals



Sound



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Signature



Label



USE not Registration the Key...

- The existence and life of a trade mark depends on use.
- Registration provides additional remedy of infringement only.

Trade Mark / Brand Audit

TM

- Are the marks being used ?
- Are the marks registered ?
- Are the registrations use based or on intent to use ?
- Are the registrations periodically renewed ?
- Are the registrations susceptible to cancellation for non-use or other grounds ?
- Are there any cancellation actions pending against the mark ?
- How many successful enforcement actions have been initiated based on the mark ?
- Were any actions unsuccessful ?

Trade Mark / Brand Audit....contd.

TM

- Are there any licenses for the mark ?
- If yes, are these licenses properly monitored ?
- What is the state of the Register ? Are there other similar / identical marks on the Register ?
- Are there similar / identical marks in use by third parties ? For how long ?
- Are there any third parties who can claim concurrent / parallel rights in the mark ?
- Has the mark been diluted for any reason ?



Copyrights



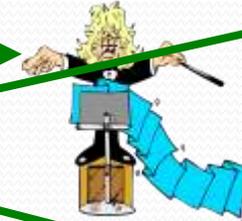
Subject matter of Copyrights

— Films

— Musical works

— Sound recordings

— Literary works



Subject matter of Copyrights

— Artistic works



— Dramatic works



Term and Registration

- Copyrights extend for the life of the author + 60 years.
- No statutory requirement for registration
- Copyrights subsist with the creation of the work
- India a member of UCC & the Berne Convention
- Copyrights enjoy international protect on a reciprocal basis.

ACQUISITION OF RIGHTS

BY

ASSIGNMENT
OR LICENSE

IN WRITING



ASSIGNMENT / LICENSE ESSENTIALS

Identify the work

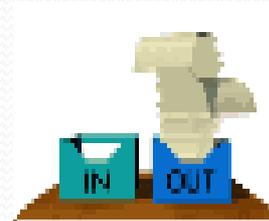


Period



Amount of Royalty

Ter extent



One year to exercise rights



What does this bundle contain? FOR BOOKS

An exclusive right to:

- make additional copies (back to back copies) ;
- make electronic copies ;
- sell or distribute copies to the public ;
- read out the work publicly ;
- make a film i.e. film script ;
- make a sound recording i.e. use it as lyrics ;
- translate ;
- make an adaptation ;
- reproduce in material form.



What does this bundle contain? FOR SOFTWARE

An exclusive right to:

- make additional copies (back to back copies) ;
- make electronic copies ;
- sell or distribute copies to the public ;
- Sell or rent a copy
- make an adaptation ;
- reproduce in material form.



What does this bundle contain? FOR SOUND RECORDINGS

An exclusive right to:

- **make additional copies ;**
- **to sell ;**
- **to give on rent / hire ;**
- **to publicly play the recording**



What does this bundle contain? FOR CINEMATOGRAPH FILMS

An exclusive right to:

- make additional copies ;
- use one screen shot and make a photograph ;
- to sell ;
- to give on rent / hire ;
- to display publicly



What does this bundle contain? FOR MUSICAL WORKS

An exclusive right to:

- **make additional copies (back to back copies) ;**
- **make electronic copies ;**
- **sell or distribute copies to the public ;**
- **Play the work on an instrument or sing it publicly ;**
- **make a film i.e. film music;**
- **make a sound recording ;**
- **make an adaptation ;**
- **reproduce in material form.**

What does this bundle contain? FOR ARTISTIC WORKS

An exclusive right to:

- make additional copies ;
- make a 3 dimensional image of a 2 dimensional work and visa versa ; i.e. making a sculpture of a sketch or a sketch of a sculpture ;
- display publicly ;
- include in a film ;

Copyright Audit



- Is the work Original ?
- Is the work registered ?
- Is the Assignor / Licensor the Author of the work ?
- Does the Assignor / Licensor have the necessary authority to assign / license the work ?
- Are there any joint authors ?
- If the Author of the work is a corporate entity, are the employees bound by proper contracts ?
- Is the work easily identifiable ?

Designs



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Designs

- **Feature of shape,**
- **Configuration,**
- **Pattern,**
- **Ornament,**
- **Composition of lines or colours applied to any article, whether in two dimensions or three dimensions**

Designs

- **Relates solely to appearance - appeal to the eye**
- **Does not include mode or principle of construction or mere mechanical devices**
- **Registration mandatory prior to publication**
- **Valid for 10 years, with one renewal for 5 years**

Novelty not Originality the Key..

- **Protection granted to New and Novel designs.**
- **Novelty is the fundamental reason for the protection granted.**
- **Eye is the ultimate judge, thus novelty should be substantial.**

Unregisterable Designs

- Designs that are not new or original
- Designs disclosed to public anywhere, by publication in tangible form, or by use or in any other way.
- Designs not significantly distinguishable
- Scandalous or obscene designs

Patents

- Patent laws give protection to inventions.
- Invention must be new, useful and have industrial application.
- Invention must relate to a product.
- An improvement can also be patented.
- Right to exclude others from making, using or selling the invention.
- Term of protection 20 Years

Patent & Design Audit

- Is registered ?
- Is it and Novel ?
- Is it pre-published ?
- Is it obvious ?
- Is the registration relatively new ?
- Is the Assignor / Licensor the inventor of the work ?

Patent & Design Audit

- Is registered ?
- Is it and Novel ?
- Is the registration relatively new ?
- Is the Assignor / Licensor the inventor of the work ?
- Does the Assignor / Licensor have the necessary authority to assign / license the design ?
- Are there any joint inventors ?
- If the inventor is a corporate entity, are the employees bound by proper contracts ?

Trade Secret Audit

- What are the plant physical security precautions, such as a fenced perimeter of the Company premises, limited entries and exits, alarms and self-locking doors, and after-hours security personnel?
- Are there “KEEP OUT” and “AUTHORIZED PERSONNEL ONLY” signs at the access points to sensitive areas of the plant, and is there a policy of enforcing these restrictions?
- What keeps visitors from obtaining confidential information?

Trade Secret Audit

- Are ingredients or data secretly coded or encrypted?
- Are drawers or areas for secret documents and drawings separated and locked?
- Are there physical barriers that prevent unauthorized viewing of proprietary process technology?
- Are there sign in and sign out procedures for accessing and returning sensitive materials?

Trade Secret Audit

- Are sensitive documents reproduced in only a limited number, and is there a policy to collect all copies after use?
- Are authorized codes and passwords used for access to copying machines and computers?
- Is computer data stored and transmitted in an encrypted, secure manner?

Trade Secret Audit

- Are there policies and procedures to destroy (shred) sensitive documents rather than discarding them in whole?
- Are confidential drawings and documents marked as confidential with a stamp, watermark, or confidentiality legend?

THANK YOU FOR STAYING AWAKE

- *Comments*
- *Questions*

Thank you